

Arizona State Retirement System Bill Tracker
ASRS Related Legislation – 49th Legislature – First Regular Session
(For week ending Friday, July 3, 2009)

The Legislature adjourned *sine die* at 7:30am Wednesday, July 1, 2009.

The general effective date is September 30, 2009.

| BILL | BILL STATUS | ADMINISTRATIVE COST | ACTUARIAL IMPACT |
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| <p>HB 2118 – ASRS; LTD amendments Sponsor: Boone As Transmitted to the Governor: <u>Plan Design</u></p> <ul style="list-style-type: none"> Removes the 80% cap on retirement benefits. <p><u>Dual Employment</u></p> <ul style="list-style-type: none"> Permits, beginning January 1, 2010, contributions from a second ER only if the 20/20 Rule is met for that ER unless the EE has been dually employed with the same ER between January 1, 2005 and December 31, 2009 and continues or resumes that employment before January 1, 2012 and the EE does not leave the second employment for more than 30 consecutive days during the EE's service year. Excludes compensation from a second ER for which contributions are not remitted from the pension calculation. <p><u>Return to Work</u></p> <ul style="list-style-type: none"> Requires a member to submit an application for re-retirement after terminating RTW employment. Permits a member who RTW with a suspension of benefits to choose a different annuity option from their first retirement if the member resumed work for at least 60 consecutive months. Requires an election to continue receiving benefits while working to be irrevocable for the remainder of employment. Eliminates the requirement that a RTW teacher must be certificated. Requires a retiree who RTW without a resumption of membership to acknowledge the provisions of the RTW program in writing and file it with the ER within 30 days. <p><u>Dual Membership</u></p> <ul style="list-style-type: none"> Allows a retiree to immediately RTW in a non-ASRS position (i.e., not suspend retirement benefits) if the retiree RTW in a position that is: | <p>Status: 6/15 Passed House 49-2-9 6/16 First Read 6/25 RRD DPA 4-0-0-2 6/26 Rules PFC 6/26 Maj & Min Caucus Y 6/27 COW DPA 6/30 Third Read 23-3-4 6/30 Concur Y 6/30 Final Pass 59-0-1 7/1 Transmitted to Governor Next Stop: Signature</p> | <p>As Transmitted: None expected.</p> | <p>As Transmitted: None expected.</p> |

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| <ol style="list-style-type: none"> 1. a true change from their pre-retirement position, 2. does not require participation in ASRS, and 3. either: <ol style="list-style-type: none"> a. requires participation in another retirement plan and the member makes those contributions (or if EORP, waives coverage) or b. permits the member to contribute to another plan and the member actually does participate. <p><u>Service Purchase</u></p> <ul style="list-style-type: none"> • Requires, beginning July 1, 2010, a member to have five years of service credit in ASRS before initiating a service purchase. • Expands the Service Purchase Program to time worked for the government of a United States commonwealth, insular area, or overseas possession. • Repeals the sunset clause from Laws 2007, Chapter 244 (HB 2148 ASRS; active military service credit) that allowed members who are called into US military service and who become disabled to purchase their military time even if they do not return to service for the same State ER. <p><u>Employer Administration</u></p> <ul style="list-style-type: none"> • Requires an ER that employs and makes contributions for a person who works for a third-party organization (and doesn't meet ASRS membership), if the ASRS or a court determines that ASRS must pay a benefit to the person, to pay any unfunded liability resulting to ASRS after ASRS subtracts the person's account balance from the present value of the benefit. <p><u>Employer Termination Incentive Programs (ERTIP)</u></p> <ul style="list-style-type: none"> • Limits exceptions to ERTIP definition to increases due to promotion only by removing reclassifications and merit increases. • Removes the requirement that in order to qualify as an ERTIP an agreement to terminate must be in writing and instead broadens to include anything of value provided by an employer that are conditioned on the member's termination. • Clarifies that enhanced payments of vacation, sick, or compensatory leave will count as incentives. <p><u>Long-Term Disability Program</u></p> <ul style="list-style-type: none"> • Cross-references the LTD Program definitions with the DB Plan statutes. • Clarifies the LTD contribution rate calculation statute to | | | |

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| <p>provide consistency between the DB Plan and LTD Program rates.</p> <ul style="list-style-type: none"> Clarifies LTD Program offset statute to include amounts paid to the member <i>and</i> the member's dependents. Clarifies the use of the word "benefit" throughout the LTD statute. <p><u>Administration</u></p> <ul style="list-style-type: none"> Exempts ASRS employees from State Personnel Management and Personnel Board provisions and the State classification and compensation limitations. <p><u>Retiree Accumulated Sick Leave (RASL) Program [Department of Administration]</u></p> <ul style="list-style-type: none"> Requires an employee, in order to be eligible for a RASL payment from ADOA, to: <ol style="list-style-type: none"> Establish an effective retirement date that is within 31 days after termination of employment. Elect defined retirement benefits within 31 days after termination of employment. Have non-forfeited sick leave time available for use at the time of termination. Enables an employee or officer to receive a RASL payment in a lump sum. <p><u>Miscellaneous</u></p> <ul style="list-style-type: none"> Clarifies charter city transfers statute by stating that a member extinguishes all rights in the retirement system from which the member is transferring. Clarifies that non-retired survivor benefits are triggered by a member's death regardless of whether the member was employed at the time of death. Eliminates extraneous statutory language relating to the Rural Health Insurance Subsidy that expires on June 30, 2009. Makes other technical and conforming changes. | | | |
| <p>HB 2110 – public retirement plans; federal changes Sponsor: Boone As Transmitted to the Governor: Makes changes to CORP, EORP, and PSPRS statutes.</p> | <p>Status: 5/12 Passed House 58-0-2 6/25 Passed Senate 22-6-2 6/25 Transmit to House 6/29 Concur Y 6/29 Final Read 53-0-7 7/1 Transmitted to Governor Next Stop: Signature</p> | <p>As Transmitted: None expected.</p> | <p>As Transmitted: None expected.</p> |

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| HB 2236 – NOW: county operation; management Sponsors: Tobin, S Allen, Gorman, Pearce, Pierce, et al As Transmitted to the Governor: Removes restriction that prevents counties with a population of less than 300,000 from using public funds to pay all or a part of health insurance premiums for retired employees who are members of one of the four state retirement plans and allows any county to do so. Makes other non-ASRS related changes to counties. Emergency measure. | Status: 5/12 Passed House 57-1-2 6/25 Passed Senate [Reconsideration] Third Read 24-3-3 6/26 Transmit to House 6/29 Concur Y 6/29 Final Pass 51-1-8 7/1 Transmitted to Governor Next Stop: Signature | As Transmitted: None expected. | As Transmitted: None expected, unless a county offers health insurance premium payment as a termination incentive, which could trigger A.R.S. §38-749. |
| HB 2326 – CORP; omnibus amendments Sponsor: Boone As Transmitted to the Governor: Makes clarifying, conforming, and technical changes to CORP statutes including: <ul style="list-style-type: none"> Permits a retired member of CORP to be employed by a member-employer and still receive a pension if the re-employment occurs at least 12 months after retirement and the employment involves "substantial" inmate contact. The retiree does not accrue additional credited service and does not contribute to the fund. (HB2007) Allows AOC's probation, surveillance and juvenile detention officers to work 20 hours/week for 20+ weeks in the fiscal year and still retain CORP membership. States that the cost of a service purchase for a member working less than 40 hours is calculated based on the member's current hourly salary multiplied by 40 hours. (HB2061) | Status: 6/16 Passed House 49-2-9 6/25 Passed Senate [Reconsideration] 22-4-4 6/26 Transmit to House 6/29 Concur Y 6/29 Final Pass 53-0-7 7/1 Transmit to Governor Next Stop: Signature | As Transmitted: None expected. | As Transmitted: None expected. |
| SB 1196 – S/E: education omnibus Sponsor: Huppenthal As Transmitted to the Governor: Makes various changes to Education statutes. Allows ASRS to establish a supplemental employee deferral plan (403(b) or 457) for public employees, other than State employees, to save additional tax-deferred money for retirement. | Status: 6/15 Passed Senate 27-0-3 6/16 First Read 6/22 ED DPA 8-0-0-2 6/25 Rules C&P 6/25 Maj & Min Caucus Y 6/26 COW DPA 6/26 Third Read 45-6-0 6/27 Transmit to Senate 6/29 Concur Y 6/29 Final Pass 22-6-2 7/1 Transmit to Governor Next Stop: Signature | As Transmitted: ASRS should be able to administer the program using current staffing, similar to the existing Supplemental Retirement Savings Plan, a 401(a) Plan. | As Transmitted: None expected. |

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| HB 2007 – CORP; return to work Sponsors: Konopnicki As Passed the House: Permits a retired member of CORP to be employed by a member-employer and still receive a pension if the re-employment occurs at least 12 months after retirement and the employment involves "substantial" inmate contact. The retiree does not accrue additional credited service and does not contribute to the fund. See HB2326 | Status: 1/13 First Read 1/20 PERER DP 6-0-0-2 2/11 APPROP DP 12-0-0-1 3/16 Rules C&PA 7-0-0-1 4/7 COW DPA 5/18 Passed House 51-0-9 6/8 First Read Next Stop: RRD DEAD | As Passed the House: None expected. | As Passed the House: None expected. |
| HB 2015 – county retiree health insurance Sponsor: Konopnicki As Amended in PERER: Removes restriction that prevents counties with a population of less than 300,000 from using public funds to pay all or a part of health insurance premiums for retired employees who are members of one of the four state retirement plans and allows any county to do so. See HB2326 | Status: 1/13 First Read 1/26 NRRP DP 8-0-0-0 2/10 PERER HELD 2/17 PERER DPA 8-0 Next Stop: Rules DEAD | As Amended in PERER: None expected. | As Amended in PERER: None expected, unless a county offers health insurance premium payment as a termination incentive, which could trigger A.R.S. §38-749. |
| HB 2061 – NOW: probation; surveillance; detention officers; retirement Sponsor: Konopnicki As Amended in House COW: Allows AOC's probation, surveillance and juvenile detention officers to work 20 hours/week for 20+ weeks in the fiscal year and still retain CORP membership. States that the cost of a service purchase for a member working less than 40 hours is calculated based on the member's current hourly salary multiplied by 40 hours. Repeals law on July 1, 2011. Emergency measure. See HB2326 | Status: 1/20 First Read 1/27 PERER HELD 2/3 PERER HELD 2/17 PERER HELD 2/24 DPA S/E 8-0 4/7 Maj & Min Caucus Y 4/7 Rules C&P 5/7 COW DPA Next Stop: Third Read DEAD | As Amended in House COW: None expected. | As Amended in House COW: None expected. |

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| HB 2084 – CORP; Arizona state hospital; employees Sponsor: Farley, Chabin As Introduced: <ul style="list-style-type: none"> Includes various Arizona State Hospital positions under DHS as employees eligible for CORP, if the employee has routine contact with patients. Requires DHS to establish a local board (which determines eligibility and performs other administrative duties for CORP employees). Requires DHS to enter a joinder agreement if it decides to transfer employees to CORP. Requires ASRS to transfer PDA service annually and at the employee's termination. The employer is liable for any funding deficiencies. Provides that all prior ASRS service will transfer to CORP unless the employee irrevocably elects to remain in ASRS. | Status: 1/20 First Read Next Stop: PERER DEAD | As Introduced: TBD. | As Introduced: Preliminary estimates indicate that 491 positions would be transferred, representing a loss in overall payroll of \$21.9 million. The APV of the assets is \$28.7 million, and ASRS would be required to send \$21.5 million to CORP (74.7%--FY2008 market value funded status). |
| HB 2109 – retirement systems and plans; amendments Sponsor: Boone As Passed the House: Makes changes to CORP, EORP, and PSPRS's qualified domestic relations order statutes. | Status: 6/15 Passed House 49-2-9 6/16 First Read 6/25 RRD DP 4-0-0-2 DEAD | As Passed the House: None expected. | As Passed the House: None expected. |
| HB 2111 – ASRS; amendments Sponsor: Boone As Passed the House: <u>Plan Design</u> <ul style="list-style-type: none"> Modifies the Average Monthly Compensation used in a retiring member's retirement benefit calculation from the average of the highest 36 months in the last 120 months to the average of the highest 60 months in the last 120 months for a member hired on or after July 1, 2010. Modifies one of the Normal Retirement Date definitions from 80 to 85 points (age + years of service) for a member hired on or after July 1, 2010. Eliminates employer contribution refunds for a member hired on or after July 1, 2010 except for a member who was terminated due to an Employer Reduction in Force or position elimination in which case the member will receive the current refund vesting schedule. Removes the 80% cap on retirement benefits. <u>Dual Employment</u> | Status: 5/18 Passed House 51-0-9 6/8 First Read DEAD | As Passed the House: The ASRS projects that it will cost \$1,497,231 to implement these changes, which represents the costs of computer programming, staff and employer training, forms development and distribution, website updates, and member communications. | As Passed the House: First actuarial effect for contribution rate beginning July 1, 2011. By 2039 total contribution rate (ER + EE) savings of: Average Monthly Salary: 0.34% Rule of 85: 0.28% Refunds: 0.27% (maximum savings of 0.40% reached in 2024-2025, gradually decreasing to .27% in FY2039.) 80% Cap: 0.07% Present Value of Savings: Average Monthly Salary: \$405 M Rule of 85: \$251 M Refunds: \$407 M 80% Cap: \$69 M Total: \$1,011 M |

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| <ul style="list-style-type: none"> Permits contributions from a second ER only if the 20/20 Rule is met for that ER. Excludes compensation from a second ER for which contributions are not remitted from the pension calculation. <p><u>Return to Work</u></p> <ul style="list-style-type: none"> Permits a member who RTW with a suspension of benefits to choose a different annuity option from their first retirement if the member resumed work for at least 60 consecutive months. <p><u>Service Purchase</u></p> <ul style="list-style-type: none"> Requires, beginning July 1, 2010, a member to have five years of service credit in ASRS before initiating a service purchase. Expands the Service Purchase Program to time worked for the government of a United States commonwealth, insular area, or overseas possession. Repeals the sunset clause from Laws 2007, Chapter 244 (HB 2148 ASRS; active military service credit) that allowed members who are called into US military service and who become disabled to purchase their military time even if they do not return to service for the same State ER. <p><u>Employer Termination Incentive Programs (ERTIP)</u></p> <ul style="list-style-type: none"> Removes the requirement that in order to qualify as an ERTIP an agreement to terminate must be in writing and instead broadens to include anything of value provided by an employer that are conditioned on the member's termination. <p><u>Long-Term Disability Program</u></p> <ul style="list-style-type: none"> Cross-references the LTD Program definitions with the DB Plan statutes. Clarifies the LTD contribution rate calculation statute to provide consistency between the DB Plan and LTD Program rates. Clarifies LTD Program offset statute to include amounts paid to the member <i>and</i> the member's dependents. Clarifies the use of the word "benefit" throughout the LTD statute. <p><u>Miscellaneous</u></p> <ul style="list-style-type: none"> Clarifies charter city transfers statute by stating that a member extinguishes all rights in the retirement system from which the member is transferring. Clarifies that non-retired survivor benefits are triggered | | | <p>Projection based on no growth—savings will be higher if there is an increase in the active workforce.</p> |

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| <p>by a member's death regardless of whether the member was employed at the time of death.</p> <ul style="list-style-type: none"> Appropriates \$1,341,722 from the ASRS to the ASRS administration account. The appropriation is non-lapsing. Makes other technical and conforming changes. | | | |
| <p>HB 2112 – ASRS; eliminate 80% benefit cap Sponsor: Boone As Introduced: Removes the 80% cap on retirement benefits.</p> | <p>Status: 1/20 First Read Next Stop: PERER DEAD</p> | <p>As Introduced: None expected.</p> | <p>As Introduced: See HB2111 (page 1).</p> |
| <p>HB 2113 – ASRS; return of contributions Sponsor: Boone As Introduced:</p> <ul style="list-style-type: none"> Allows a member with five or more years of service to receive 25% of employer contributions upon termination of employment (by other than death or disability) for a member whose membership commences on or after July 1, 2010. Appropriates \$232,332 from the ASRS to the ASRS administration account. The appropriation is non-lapsing. | <p>Status: 1/20 First Read Next Stop: PERER DEAD</p> | <p>As Introduced: The ASRS projects that it will cost \$232,332 to implement these changes, which represents the costs of computer programming, staff and employer training, forms development and distribution, website updates, and member communications.</p> | <p>As Introduced: First actuarial effect for contribution rate beginning July 1, 2011.</p> <p>By 2039 total contribution rate (ER + EE) savings of: Refunds: 0.19% (maximum savings of 0.28% reached in 2024-2025, gradually decreasing to .19% in FY2039.)</p> <p>Present Value of Savings: Refunds: \$274 M</p> <p>Projection based on no growth—savings will be higher if there is an increase in the active workforce.</p> |
| <p>HB 2114 – ASRS; normal retirement date Sponsor: Boone As Introduced:</p> <ul style="list-style-type: none"> Modifies one of the Normal Retirement Date definitions from 80 to 85 points (age + years of service) for a member whose membership commences on or after July 1, 2010. Appropriates \$346,071 from the ASRS to the ASRS administration account. The appropriation is non-lapsing. | <p>Status: 1/20 First Read Next Stop: PERER DEAD</p> | <p>As Introduced: The ASRS projects that it will cost \$346,071 to implement these changes, which represents the costs of computer programming, staff and employer training, forms development and distribution, website updates, and member communications.</p> | <p>As Introduced: See HB2111 (page 1).</p> |

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| HB 2115 – ASRS; retirement average monthly salary Sponsor: Boone As Introduced: <ul style="list-style-type: none"> Modifies the Average Monthly Compensation used in a retiring member's retirement benefit calculation from the average of the highest 36 months in the last 120 months to the average of the highest 60 months in the last 120 months for a member whose membership commences on or after July 1, 2010. Appropriates \$763,319 from the ASRS to the ASRS administration account. The appropriation is non-lapsing. | Status: 1/20 First Read Next Stop: PERER DEAD | As Introduced: The ASRS projects that it will cost \$763,319 to implement these changes, which represents the costs of computer programming, staff and employer training, forms development and distribution, website updates, and member communications. | As Introduced: See HB2111 (page 1). |
| HB 2116 – ASRS; return to work Sponsor: Boone As Introduced: <u>Dual Employment</u> <ul style="list-style-type: none"> Permits contributions from a second ER only if the 20/20 Rule is met for that ER. <u>Contribution for Return to Work (RTW)</u> <ul style="list-style-type: none"> Requires ERs, beginning July 1, 2010, to pay an Alternate Contribution Rate (ACR) for members who RTW prior to 12 months as leased or contract EEs and who perform services that would otherwise be performed by a contributing EE. States, for a member whose most recent retirement was July 1, 2010 or later, that the time worked as a leased or contract EE does not count towards the 12 month requirement. Requires ERs to pay the ACR on behalf of any retiree that it employs unless no contributions have been made on behalf of that retiree for 12 months. Defines the ACR as the greater of 2% or 2 times the "deficit" payment (ER DB contribution rate + ER LTD contribution rate minus Normal Cost). <u>Dual Membership and RTW in Non-ASRS Position</u> <ul style="list-style-type: none"> Allows a retiree to immediately RTW in a non-ASRS position (i.e., not suspend retirement benefits) if the retiree RTW in a position that is: <ol style="list-style-type: none"> a true change from their pre-retirement position, does not require participation in ASRS, and either: <ol style="list-style-type: none"> requires participation in another retirement plan and the member makes those contributions (or | Status: 1/20 First Read Next Stop: PERER DEAD | As Introduced: None expected. | As Introduced: TBD, expected savings. |

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| <p>if EORP, waives coverage) or</p> <p>b. permits the member to contribute to another plan and the member actually does participate.</p> <p><u>Miscellaneous RTW Provisions</u></p> <ul style="list-style-type: none"> Requires an election to continue receiving benefits while working to be irrevocable for the remainder of employment. Requires employers to submit data and reports as required by the ASRS to determine the compensation of leased and contract retirees and the usage of the return to work program. Makes other technical, conforming, and clarifying changes. | | | |
| <p>HB 2117 – ASRS; public service credit; purchase</p> <p>Sponsor: Boone</p> <p>As Introduced: Expands the ASRS Service Purchase (SP) Program to time worked for the government of a United States commonwealth, insular area, or overseas possession.</p> | <p>Status: 1/20 First Read 1/20 PERER DP 6-0-0-2 3/23 Rules C&P 8-0 3/23 Consent 3:00p 3/24 Maj & Min Caucus Y Next Stop: Third Read DEAD</p> | <p>As Introduced: None expected.</p> | <p>As Introduced: None expected.</p> |
| <p>HB 2119 – ASRS; service credit transfers</p> <p>Sponsor: Boone</p> <p>As Introduced: Clarifies charter city transfers statute by stating that a member extinguishes all rights in the retirement system from which the member is transferring.</p> | <p>Status: 1/20 First Read 1/20 PERER DP 6-0-0-2 2/9 Rules C&P 2/9 Consent 2:30p 2/10 Maj & Min Caucus Y Next Stop: Third Read DEAD</p> | <p>As Introduced: None expected.</p> | <p>As Introduced: None expected.</p> |
| <p>HB 2171 – S/E: science foundation; ASRS; investments</p> <p>Sponsor: Antenori, Gowan, Stevens, et al</p> <p>As Amended in Hse COM: Requires ASRS Board to authorize the Director to invest up to 0.1% in Science Foundation Arizona (SFAz). Requires SFAz to remit 15% of the gross revenues (minus costs) from intellectual property to ASRS. Permits SFAz to take up to 49% equity positions in companies in which it invests and requires SFAz to remit proceeds from equity sales to ASRS. Requires SFAz to report to ASRS, the Governor, the Senate, and the House by June 30 of each year. Repeals General Fund funding to SFAz.</p> <p>Proposed Antenori Floor Amendment: Requires ASRS to invest 0.1% in SFAz in each FY2010 through 2014. States that SFAz is not Investment Management and need not comply with statutory qualifications and duties of Investment Management. Requires SFAz to remit 50% of the</p> | <p>Status: 1/20 First Read 6/10 COM DPA S/E 5-2-0-1 6/11 JUD W/D 6/17 Rules C&P 4-3-0-1 6/17 Maj & Min Caucus Y Next Stop: COW DEAD</p> | <p>As Amended in Hse COM: TBD.</p> | <p>As Amended in Hse COM: TBD.</p> |

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| gross revenues (minus costs) from intellectual property to ASRS. Requires the transfer or license of intellectual property to be conditioned on a warrant or option to ASRS to purchase equity in companies in SFAz provides funding. Requires SFAz to report to ASRS, the Governor, the Senate, and the House by June 30 of each year. Proposed Kavanagh Floor Amendment: Requires the Board to adopt a methodology for calculating the value of the return on investment for the SFAz investment compared with the average of the Total Fund return. Appropriates from the State General Fund to ASRS the negative difference between those two values. Requires the Board to certify the values and amounts annually. | | | |
| HB 2325 – EORP; omnibus amendments Sponsor: Boone As Amended in COW: Makes clarifying, conforming, and technical changes to EORP statutes. | Status: 6/10 Passed House 57-0-3 6/12 First Read 6/18 RRD DP 4-0-2 6/22 Rules PFC 6/22 Maj Caucus HELD 6/22 Min Caucus Y 6/30 Maj Caucus Y 7/1 COW DPA DEAD | As Amended in COW: None expected. | As Amended in COW: None expected. |
| HB 2327 – PSPRS; omnibus amendments Sponsor: Boone As Amended in COW: Makes clarifying, conforming, and technical changes to PSPRS statutes, including: <ul style="list-style-type: none"> Making PSPRS appropriated by the Legislature. Subjecting PSRPS (goods & services and investments to the State Procurement Code. Prohibiting new entrants into the DROP Program on General Effective Date. | Status: 6/16 Passed House 49-2-9 6/16 First Read 6/18 RRD DPA 4-0-2 6/22 Rules PFC 6/22 Maj Caucus HELD 6/22 Min Caucus Y 6/30 Maj Caucus Y 7/1 COW DPA DEAD | As Amended in COW: None expected. | As Amended in COW: None expected. |
| HB 2506 – CORP; chaplains; membership Sponsor: Pancrazi, Aguirre: Jones, McGuire, Waters As Introduced: <ul style="list-style-type: none"> Includes Chaplains employed by DOC as employees eligible for CORP. Transfers all Chaplains who are ASRS members to CORP on the effective date. Requires ASRS to transfer the greater of the member's account balance or the present value of the member's benefit (only counting DOC Chaplain service). | Status: 2/12 First Read Next Stop: PERER DEAD | As Introduced: TBD. | As Introduced: Preliminary estimates indicate that 37.5 positions would be transferred, representing a loss in overall payroll of \$1.4 million. The APV of the assets is \$2.6 million, and ASRS would be required to send \$2.0 million to CORP (74.7%-- FY2008 market value funded status). |

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| SB 1116 – technical correction; PSPRS; deferred retirement Sponsor: S. Allen As Introduced: Apparent striker vehicle. | Status: 1/15 First Read Next Stop: FIN DEAD | As Introduced: None expected. | As Introduced: None expected. |
| SB 1117 – technical correction; normal retirement date Sponsor: S. Allen As Introduced: Apparent striker vehicle. | Status: 1/15 First Read Next Stop: Rules DEAD | As Introduced: None expected. | As Introduced: None expected. |
| SB 1345 – ASRS; amendments. Sponsor: Gould As Introduced: <ul style="list-style-type: none"> Modifies the Average Monthly Compensation used in a retiring member's retirement benefit calculation from the average of the highest 36 months in the last 120 months to the average of the highest 60 months in the last 120 months for a member whose membership commences on or after July 1, 2010. Modifies one of the Normal Retirement Date definitions from 80 to 85 points (age + years of service) for a member whose membership commences on or after July 1, 2010. Allows a member with five or more years of service to receive 25% of employer contributions upon termination of employment (by other than death or disability) for a member whose membership commences on or after July 1, 2010. Removes the 80% cap on retirement benefits. Contains the provisions of all other 2009 ASRS Legislative Initiatives, including RTW. Appropriates \$1,341,000 from the ASRS to the ASRS administration account. The appropriation is non-lapsing. | Status: 2/2 First Read Next Stop: RRD DEAD | As Introduced: The ASRS projects that it will cost \$1,341,000 to implement these changes, which represents the costs of computer programming, staff and employer training, forms development and distribution, website updates, and member communications. | As Introduced: First actuarial effect for contribution rate beginning July 1, 2011. By 2039 total contribution rate (ER + EE) savings of: Average Monthly Salary: 0.34% Rule of 85: 0.28% Refunds: 0.19% (maximum savings of 0.28% reached in 2024-2025, gradually decreasing to .19% in FY2039.) 80% Cap: 0.07% Present Value of Savings: Average Monthly Salary: \$405 M Rule of 85: \$251 M Refunds: \$274 M 80% Cap: \$69 M Projection based on no growth—savings will be higher if there is an increase in the active workforce. Return to Work Provisions: TBD, expected savings. |
| SB 1351 – ASRS; service; military; purchase; requirements Sponsor: Gould As Introduced: Repeals the sunset clause from Laws 2007, Chapter 244 (HB 2148 ASRS; active military service credit) that allowed members who are called into US military service and who become disabled to purchase their military time even if they do not return to service for the same State employer. | Status: 2/2 First Read Next Stop: RRD DEAD | As Introduced: None expected. | As Introduced: None expected. |

| BILL | BILL STATUS | ADMINISTRATIVE COST | ACTUARIAL IMPACT |
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| SB 1353 – ASRS; plan design amendments Sponsor: Gould As Introduced: <ul style="list-style-type: none"> Modifies the Average Monthly Compensation used in a retiring member's retirement benefit calculation from the average of the highest 36 months in the last 120 months to the average of the highest 60 months in the last 120 months for a member whose membership commences on or after July 1, 2010. Modifies one of the Normal Retirement Date definitions from 80 to 85 points (age + years of service) for a member whose membership commences on or after July 1, 2010. Allows a member with five or more years of service to receive 25% of employer contributions upon termination of employment (by other than death or disability) for a member whose membership commences on or after July 1, 2010. Removes the 80% cap on retirement benefits. Appropriates \$1,341,000 from the ASRS to the ASRS administration account. The appropriation is non-lapsing. | Status: 2/2 First Read Next Stop: RRD DEAD | As Introduced: The ASRS projects that it will cost \$1,341,000 to implement these changes, which represents the costs of computer programming, staff and employer training, forms development and distribution, website updates, and member communications. | As Introduced: First actuarial effect for contribution rate beginning July 1, 2011. By 2039 total contribution rate (ER + EE) savings of: Average Monthly Salary: 0.34% Rule of 85: 0.28% Refunds: 0.19% (maximum savings of 0.28% reached in 2024-2025, gradually decreasing to .19% in FY2039.) 80% Cap: 0.07% Present Value of Savings: Average Monthly Salary: \$405 M Rule of 85: \$251 M Refunds: \$274 M 80% Cap: \$69 M Projection based on no growth—savings will be higher if there is an increase in the active workforce. |
| SB 1354 – ASRS; survivors; IRS conforming changes Sponsor: Gould As Introduced: Clarifies that non-retired survivor benefits are triggered by a member's death regardless of whether the member was employed at the time of death. | Status: 2/2 First Read Next Stop: RRD DEAD | As Introduced: None expected. | As Introduced: None expected. |
| SB 1207 – EORP; participation; elected officials Sponsor: McCune Davis As Introduced: Does not require EORP participation for an elected official with 20+ years of service in EORP. Permits the official to elect EORP, ASRS, or no retirement coverage. [Note: Currently EORP coverage is required unless waived, then membership is automatic in ASRS unless also waived.] | Status: 1/27 First Read Next Stop: RRD DEAD | As Introduced: None expected. | As Introduced: None expected. |

GUIDE TO ACRONYMS

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|---------|---|-------|---|
| AHCCCS | Arizona Health Care Cost Containment System | HHR | House Hearing Room |
| AOC | Administrative Office of the Courts | HHS | Health and Human Services Committee (Hse) |
| APPROP | Appropriations Committee (Hse & Sen) | Hse | House of Representatives |
| ARS | Arizona Revised Statutes | JUD | Judiciary Committee (Hse & Sen) |
| ASRS | Arizona State Retirement System | LTD | Long Term Disability |
| B&I | Banking and Insurance Committee (Hse) | Maj | Majority |
| CC | Conference Committee | MAPS | Military Affairs and Public Safety Committee (Hse) |
| C&P | Constitutional and Proper | Min | Minority |
| C&PA | Constitutional and Proper as Amended by the House Rules Committee | NRIPD | Natural Resources, Infrastructure and Public Debt Committee (Sen) |
| CED | Commerce and Economic Development Committee (Sen) | NRRA | Natural Resources and Rural Affairs (Hse) |
| COM | Commerce Committee | PERER | Public Employees, Retirement and Entitlement Reform Committee (Hse) |
| CORP | Corrections Officer Retirement Plan | PFC | Proper for Consideration |
| COW | Committee of the Whole | PFCA | Proper for Consideration as Amended by the Senate Rules Committee |
| DHS | Department of Health Services | PSHS | Public Safety and Human Services Committee (Sen) |
| DOC | Arizona Department of Corrections | PSPRS | Public Safety Personnel Retirement System |
| DP | Do Pass | RRD | Retirement and Rural Development Committee (Sen) |
| DPA | Do Pass as Amended | RTW | Return to Work |
| DROP | Deferred Retirement Option Plan | SB | Senate Bill |
| EAR | Education, Accountability and Reform Committee (Sen) | S/E | Strike Everything Amendment |
| ED | Education Committee (Hse) | Sen | Senate |
| EE | Employee | SHR | Senate Hearing Room |
| EGTRRA | Economic Growth and Tax Relief Reconciliation Act of 2001 | T&I | Transportation and Infrastructure Committee (Hse) |
| EORP | Elected Officials' Retirement Plan | TBD | To Be Determined |
| ENVIRON | Environment Committee (Hse) | UAAL | Unfunded Actuarial Accrued Liability |
| ER | Employer | VMA | Veterans and Military Affairs Committee (Sen) |
| FIN | Finance Committee (Sen) | W&E | Water and Energy Committee (Hse) |
| GF | General Fund | W&M | Ways and Means Committee (Hse) |
| GI | Government Institutions Committee (Sen) | | |
| GOV | Government Committee (Hse) | | |
| HB | House Bill | | |
| HMLR | Healthcare and Medical Liability Reform Committee (Sen) | | |

If you have questions regarding ASRS legislation, please contact
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